

**Commonwealth of Kentucky  
Environmental and Public Protection Cabinet  
Department for Environmental Protection  
Division for Air Quality  
803 Schenkel Lane  
Frankfort, Kentucky 40601  
(502) 573-3382**

**Title V  
AIR QUALITY PERMIT  
Issued under 401 KAR 52:020**

**Permittee Name:** **EQUITABLE RESOURCES ENERGY COMPANY**  
**Mailing Address:** **1989 East Stone Drive  
Kingsport, TN 37662-1983**

**Source Name:** **Kentucky Hydrocarbon, Inc.  
72 Maple Street  
Langley, KY 41645**

**Source Location:** **Langley Natural Gas Compression Facility  
Floyd County, Kentucky**

**Permit Number:** **V-03-026**  
**Log Number:** **I1118/E835/G409/51196**  
**Review Type:** **Operating**  
**Source ID #:** **21-071-00140**  
**SIC #:** **1321**

**Regional Office** **Hazard  
233 Birch Street, STE 2  
Hazard, KY 41701-2179**

**County:** **Floyd**

**Application**  
**Complete Date:** **June 10, 2003**  
**Issuance Date:** **February 4, 2004**  
**Expiration Date:** **February 4, 2009**

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**John S. Lyons, Director  
Division for Air Quality**

<u>SECTION</u>	<u>PAGE</u>	<u>DATE OF ISSUANCE</u>
A. PERMIT AUTHORIZATION	1	February 4, 2004
B. EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS	2	February 4, 2004
C. INSIGNIFICANT ACTIVITIES	4	February 4, 2004
D. SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS	5	February 4, 2004
E. SOURCE CONTROL EQUIPMENT OPERATING REQUIREMENTS	6	February 4, 2004
F. MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS	7	February 4, 2004
G. GENERAL PROVISIONS	10	February 4, 2004
H. ALTERNATE OPERATING SCENARIOS	15	February 4, 2004
I. COMPLIANCE SCHEDULE	15	February 4, 2004

## **SECTION A - PERMIT AUTHORIZATION**

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first having submitted a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:020, Title V Permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by this Cabinet or any other federal, state, or local agency.

### **SINGLE SOURCE DETERMINATION:**

Kentucky Hydrocarbon, AFS # 21-071-00140 is operator of the entire plant and owner of EP-01 & EP-02, and the adjacent extraction plant, Markwest Hydrocarbon, AFS # 21-071-00160 is owner of EP-03 & EP-04, that together are considered by the Kentucky Division for Air Quality to be a single “major source” as defined in 401 KAR 52:001, Section (1)(45)(b), definition of Major source for regulated air pollutants other than HAPS. Each owner/operator is responsible and liable for their own violations unless there is a joint cause for the violations.

## **SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS**

**EP-01 (CE#1-CE#5) Five Compressor Engines**

**EP-01 Fugitives**

**Description:**

**Five 2000 hp (5.1 mmBTU/hr) Cooper-Bessemer (X-1) Compressor Engines, Natural Gas Fuel only, installed in 1957.**

**APPLICABLE REGULATIONS:**

State Regulation 401 KAR 63:020, Potentially hazardous matter or toxic substances applies to toxic or hazardous air pollutants.

1. **Operating Limitations:** N/A
2. **Emission Limitations:** N/A
3. **Testing Requirements:** N/A
4. **Specific Monitoring Requirements:** Refer to Section F.
5. **Specific Recordkeeping Requirements:** Refer to Section F.
6. **Specific Reporting Requirements:** Refer to Section F.

**SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS**

**EP-02 (H-501)**      One 3.5 mmBTU/hr Regeneration Gas Heater  
Natural Gas Fuel only  
Installed in 1989

**Applicable Regulations:**

401 KAR 59:015, New indirect fired heat exchangers, applies to the particulate matter and sulfur dioxide emissions from the combustion of natural gas.

**1. Operating Limitations: N/A**

**2. Emission Limitations:**

- a. Pursuant to 401 KAR 59:015, Section 4(1)(c), emissions of particulate matter from the combustion of natural gas shall not exceed 0.56 lb/mmBTU.
- b. Pursuant to 401 KAR 59:015, Section 4(2), the opacity of visible emissions from the combustion of either natural gas or fuel oil shall not exceed 20%.
- c. Pursuant to 401 KAR 59:015, Section 5(1)(c)1, emissions of sulfur dioxide from the combustion of natural gas shall not exceed 3.0 lb/mmBTU.

**Compliance Demonstration Method:****Particulate Matter and Sulfur Dioxide Emissions:**

Emissions in      =      [(Total Monthly gas consumption rate x Emission factor listed in Kentucky  
lb/mmBTU              Emissions Inventory) / (Total Hours of operation per month x Total Hourly  
Rated Capacity)]

**Opacity:**

Compliance is assumed as long as only natural gas is used as the fuel source.

**3. Testing Requirements:**

Pursuant to 401 KAR 59:005 Section 2(2) and 401 KAR 50:045, Section 1, performance testing using the Reference Methods specified in 401 KAR 50:015 shall be conducted as required by the Division.

**4. Specific Monitoring Requirements:**

The permittee shall monitor and maintain records of the following information:

- a. The total monthly fuel usage rate (cubic feet/month or gallons per month) for natural gas.
- b. The total monthly hours of operation (hours operated per month) of the boiler.
- c. The sulfur content of the fuel burned. The sulfur content maybe determined by quarterly fuel sampling and analysis or by fuel supplier certification.

**5. Specific Record keeping Requirements:**

See Specific Monitoring Requirements above.

**6. Specific Reporting Requirements: Refer to Section F.**

**SECTION C - INSIGNIFICANT ACTIVITIES**

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:020, Section 6. While these activities are designated as insignificant the permittee must comply with the applicable regulation and some minimal level of periodic monitoring may be necessary.

	<u>Description</u>	<u>Generally Applicable Regulation</u>
1.	H-502 – 0.5 mmBTU/hr Natural Gas Utility Heater, installed 1989	NA
2.	NGF-FP – Natural Gas Fired, Fire Pump for testing, installed before 1970	NA
3.	NGF-EG- Natural Gas, Emergency Generator for testing, installed before 1970	NA
4.	D-FP – Diesel Fire Pump – for periodic testing, installed early 1970s	NA
5.	D- AC- Diesel, Air Compressor, used periodically (50 hours per year)	NA

## **SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS**

1. As required by Section 1b of the material incorporated by reference in 401 KAR 52:020, Section 10; compliance with annual emissions and processing limitations contained in this permit, shall be based on emissions and processing rates for any twelve (12) consecutive months
2. PM/PM10, and SO<sub>2</sub> emissions, as measured by methods referenced in 401 KAR 50:015, Section 1, shall not exceed the respective limitations specified herein.

## **SECTION E - SOURCE CONTROL EQUIPMENT REQUIREMENTS**

1. Pursuant to 401 KAR 50:055, Section 2(5), at all times, including periods of startup, shutdown and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the division which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.



## **SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS**

1. When continuing compliance is demonstrated by periodic testing or instrumental monitoring, the permittee shall compile records of required monitoring information that include:
  - a. Date, place as defined in this permit, and time of sampling or measurements.
  - b. Analyses performance dates;
  - c. Company or entity that performed analyses;
  - d. Analytical techniques or methods used;
  - e. Analyses results; and
  - f. Operating conditions during time of sampling or measurement.[Material incorporated by reference by 401 KAR 52:020, Section 1b (IV)1]
2. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality. [Material incorporated by reference by 401 KAR 52:020, Sections 1b(IV) 2 and 1a(8)]
3. In accordance with the requirements of 401 KAR 52:020 Section 3(1)h the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times:
  - a. Enter upon the premises to inspect any facility, equipment (including air pollution control quipment), practice, or operation;
  - b. To access and copy any records required by the permit:
  - c. Inspect, at reasonable times, any facilities, equipment (including monitoring and pollution control equipment), practices, or operations required by the permit. Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency.
  - d. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.
  - e. Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency.
4. No person shall obstruct, hamper, or interfere with any Cabinet employee or authorized representative while in the process of carrying out official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.
5. Summary reports of any monitoring required by this permit, other than continuous emission or opacity monitors, shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit, unless otherwise stated in this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation.  
[Material incorporated by reference by 401 KAR 52:020, Section 1b (V )1.]

## **SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)**

6. The semi-annual reports are due prior to January 30th and July 30th of each year. Data from the continuous emission and opacity monitors shall be reported to the Technical Services Branch in accordance with the requirements of 401 KAR 59:005, General Provisions, Section 3(3). All reports shall be certified by a responsible official pursuant to 401 KAR 52:020 Section 23. All deviations from permit requirements shall be clearly identified in the reports.
7. In accordance with the provisions of 401 KAR 50:055, Section 1 the owner or operator shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
  - a. When emissions during any planned shutdowns and ensuing startups will exceed the standards notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
  - b. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards notification shall be made as promptly as possible by telephone (or other electronic media) and shall cause written notice upon request.
8. The owner or operator shall report emission related exceedances from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Section F.7. above) to the Regional Office listed on the front of this permit within *30 days*. Other deviations from permit requirements shall be included in the semiannual report required by Section F.6. [Material incorporated by reference by 401 KAR 52:020, Section 1b V 3, 4.]
9. Pursuant to 401 KAR 52:020, Permits, Section 21, the permittee shall certify compliance with the terms and conditions contained in this permit, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an alternative approved by the regional office) to the Regional Office listed on the front of this permit and the U.S. EPA in accordance with the following requirements:
  - a. Identification of the term or condition;
  - b. Compliance status of each term or condition of the permit;
  - c. Whether compliance was continuous or intermittent;
  - d. The method used for determining the compliance status for the source, currently and over the reporting period, and
  - e. For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

**SECTION F - MONITORING, RECORD KEEPING, AND REPORTING REQUIREMENTS (CONTINUED)**

- f. The certification shall be postmarked by January 30th of each year. Annual compliance certifications should be mailed to the following addresses:

**Division for Air Quality  
Hazard Regional Office  
223 Birch Street, Suite 2  
Hazard, KY 41701**

**Division for Air Quality  
Central Files  
803 Schenkel Lane  
Frankfort, KY 40601-1403**

10. In accordance with 401 KAR 52:020, Section 22, the permittee shall provide the division with all information necessary to determine its subject emissions within thirty (30) days of the date the KYEIS emission survey is mailed to the permittee.
11. Pursuant to Section VII.3 of the policy manual of the Division for Air Quality as referenced in 401 KAR 50:016, Section 1(1), results of performance test(s) required by the permit shall be submitted to the division by the source or its representative within forty-five days after the completion of the fieldwork.

## SECTION G - GENERAL PROVISIONS

### (a) General Compliance Requirements

1. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:020 and of the Clean Air Act and is grounds for enforcement action including termination, revocation and reissuance, revision or denial of a permit. [Material incorporated by reference by 401 KAR 52:020, Section 1a, 3 ]
2. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance, shall not stay any permit condition. [Material incorporated by reference by 401 KAR 52:020, Section 1a, 6 ]
3. This permit may be revised, revoked, reopened and reissued, or terminated for cause in accordance with 401 KAR 52:020, Section 19. The permit will be reopened for cause and revised accordingly under the following circumstances:
  - a. If additional requirements become applicable to the source and the remaining permit term is three (3) years or longer. In this case, the reopening shall be completed no later than eighteen (18) months after promulgation of the applicable requirement. A reopening shall not be required if compliance with the applicable requirement is not required until after the date on which the permit is due to expire, unless this permit or any of its terms and conditions have been extended pursuant to 401 KAR 52:020, Section 12;
  - b. The Cabinet or the U. S. EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements;
  - c. The Cabinet or the U. S. EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit;

Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings shall be made as expeditiously as practicable. Reopenings shall not be initiated before a notice of intent to reopen is provided to the source by the division, at least thirty (30) days in advance of the date the permit is to be reopened, except that the division may provide a shorter time period in the case of an emergency.

4. The permittee shall furnish information upon requested by the cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or compliance with the permit. [Material incorporated by reference by 401 KAR 52:020, Section 1a, 7,8 ]
5. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such facts or corrected information to the permitting authority. [Material incorporated by reference by 401 KAR 52:020, Section 7(1)]

## **SECTION G - GENERAL PROVISIONS (CONTINUED)**

6. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit. [Material incorporated by reference by 401 KAR 52:020, Section 1a, 14]
7. The permittee shall not use as a defense in an enforcement action the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance. [Material incorporated by reference by 401 KAR 52:020, Section 1a, 4 ]
8. Except for requirements identified in this permit as state-origin requirements, all terms and conditions shall be enforceable by the United States Environmental Protection Agency and citizens of the United States. [Material incorporated by reference by 401 KAR 52:020, Section 1a, 15)b ]
9. This permit shall be subject to suspension if the permittee fails to pay all emissions fees within 90 days after the date of notice as specified in 401 KAR 50:038, Section 3(6). [Material incorporated by reference by 401 KAR 52:020, Section 1a, 10]
10. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance. [401 KAR 52:020, Section 11(3)(b)]
11. This permit does not convey property rights or exclusive privileges. [Material incorporated by reference by 401 KAR 52:020, Section 1a, 9]
12. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Kentucky Cabinet for Natural Resources and Environmental Protection or any other federal, state, or local agency.
13. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry. [401 KAR 52:020, Section 11(3)(d)].
14. Nothing in this permit shall alter or affect the authority of U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders. [401 KAR 52:020, Section 11(3)(a)]
15. This permit consolidates the authority of previously issued PSD, NSR and minor source preconstruction permit terms and conditions for various emission units and incorporates all requirement of existing permits into one single permit for this facility.
16. Permit Shield - A permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of a permit shall be considered compliance with:
  - (a) Applicable requirements that are included and specifically identified in the permit and
  - (b) Non-applicable requirements expressly identified in this permit.

**SECTION G - GENERAL PROVISIONS (CONTINUED)****(b) Permit Expiration and Reapplication Requirements**

1. This permit shall remain in effect for a fixed term of five (5) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the division. [401 KAR 52:020, Section 12]
2. The authority to operate granted shall cease to apply if the source fails to submit additional information requested by the division after the completeness determination has been made on any application, by whatever deadline the division sets. [401 KAR 52:020 Section 8(2)]

**(c) Permit Revisions**

1. A minor permit revision procedure may be used for permit revisions involving the use of economic incentive, marketable permit, emission trading, and other similar approaches, to the extent that these minor permit revision procedures are explicitly provided for in the SIP or in applicable requirements and meet the relevant requirements of 401 KAR 52:020, Section 14(2).
2. This permit is not transferable by the permittee. Future owners and operators shall obtain a new permit from the Division for Air Quality. The new permit may be processed as an administrative amendment if no other change in this permit is necessary, and provided that a written agreement containing a specific date for transfer of permit responsibility coverage and liability between the current and new permittee has been submitted to the permitting authority within ten (10) days following the transfer.

**(d) Construction, Start-Up, and Initial Compliance Demonstration Requirements: N/A****(e) Acid Rain Program Requirements**

1. If an applicable requirement of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) is more stringent than an applicable requirement promulgated pursuant to Federal Statute 42 USC 7651 through 7651o (Title IV of the Act), both provisions shall apply, and both shall be state and federally enforceable.

**(f) Emergency Provisions**

1. Pursuant to 401 KAR 52:020 Section 24(1), an emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
  - a. An emergency occurred and the permittee can identify the cause of the emergency;

- b. The permitted facility was at the time being properly operated;

**SECTION G - GENERAL PROVISIONS (CONTINUED)**

- c. During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
  - d. Pursuant to 401 KAR 52:020, 401 KAR 50:055, and KRS 224.01-400, the permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division when emission limitations are exceeded due to an emergency. The notice shall include a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
  - e. This requirement does not relieve the source from other local, state or federal notification requirements.
2. Emergency conditions listed in General Condition (f)1 above are in addition to any emergency or upset provision(s) contained in an applicable requirement. [401 KAR 52:020, Section 24(3)]
3. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof. [401 KAR 52:020, Section 24(2)]

(g) Risk Management Provisions

1. The permittee shall comply with all applicable requirements of 401 KAR Chapter 68, Chemical Accident Prevention, which incorporates by reference 40 CFR Part 68, Risk Management Plan provisions. If required, the permittee shall comply with the Risk Management Program and submit a Risk Management Plan to:

**RMP Reporting Center**  
**P.O. Box 3346**  
**Merrifield, VA, 22116-3346**

2. If requested, submit additional relevant information to the division or the U.S. EPA.

(h) Ozone depleting substances

1. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, except as provided for Motor Vehicle Air Conditioners (MVACs) in Subpart B:
- a. Persons opening appliances for maintenance, service, repair, or disposal shall comply with the required practices contained in 40 CFR 82.156.
  - b. Equipment used during the maintenance, service, repair, or disposal of appliances shall comply with the standards for recycling and recovery equipment contained in 40 CFR 82.158.
  - c. Persons performing maintenance, service, repair, or disposal of appliances shall be certified by an approved technician certification program pursuant to 40 CFR 82.161.
  - d. Persons disposing of small appliances, MVACs, and MVAC-like appliances (as defined at 40 CFR 82.152) shall comply with the recordkeeping requirements pursuant to 40 CFR 82.166.

## **SECTION G - GENERAL PROVISIONS (CONTINUED)**

- e. Persons owning commercial or industrial process refrigeration equipment shall comply with the leak repair requirements pursuant to 40 CFR 82.156.
  - f. Owners/operators of appliances normally containing 50 or more pounds of refrigerant shall keep records of refrigerant purchased and added to such appliances pursuant to 40 CFR 82.166.
2. If the permittee performs service on motor (fleet) vehicle air conditioners containing ozone-depleting substances, the source shall comply with all applicable requirements as specified in 40 CFR 82, Subpart B, Servicing of Motor Vehicle Air Conditioners.



**SECTION H - ALTERNATE OPERATING SCENARIOS**

NA

**SECTION I - COMPLIANCE SCHEDULE**

NA